ANNEX 7
FORTUN NARVASA & SALAZAR

REPUBLIC OF THE PHILIPPINES
**COMMISSION ON AUDIT**
Commonwealth Avenue, Quezon City

COMMISSION ON AUDIT
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Received by:
Date: MAY 21 2026
Time: 3:59
Reference No.:

*Commission Proper*

**SARA Z. DUTERTE, GINA F. ACOSTA,** and **JULIETA L. VILLADELREY,**
Petitioners,

-versus-

***COA CP Case No. 2025-0194***
***Appeal of Notice of Disallowance No. 2024-002-100 (2022)***

**NILDA B. PLARAS,** in her capacity as Assistant Commissioner, Officer-in-Charge of the Intelligence and Confidential Funds Audit Office,
Respondent.

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# MOTION FOR RECONSIDERATION

Petitioners respectfully move for the reconsideration of the Honorable Commission's Decision No. 2026-171 dated April 10, 2026 ("Assailed Decision"), as follows:

1. On April 22, 2026, the petitioners, through the undersigned counsel, received via registered mail a copy of the Assailed Decision denying their Petition for Review dated February 3, 2025,[1] and affirming the Notice of Disallowance[2] No. 2024-002-100 (2022) dated August 8, 2024,[3] issued by the Commission on Audit[4] – Intelligence and Confidential Fund Audit Office,[5] which disallowed in audit the confidential expenses[6] of the Office of the Vice President[7] for the period of December 21 to 31, 2022, in the amount of ₱73,287,000.00,[8] the dispositive portion of which states:

> **WHEREFORE**, the Petition for Review, treated as appeal, of Ms. Sara Z. Duterte, Vice President; Ms. Gina Acosta, Special Disbursing Officer; and Ms. Julieta L. Villadelrey, Chief

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[1] Hereafter, "Petition for Review".
[2] Hereafter, "ND".
[3] Hereafter, the "subject ND".
[4] Hereafter, "COA" or "Honorable Commission".
[5] Hereafter, "ICFAO".
[6] Hereafter, "CEs".
[7] Hereafter, "OVP".
[8] Hereafter, "₱73.287 Million".

> Accountant; Office of the Vice President (OVP), is hereby **DENIED**. Accordingly, Commission on Audit Intelligence and Confidential Funds Audit Office Notice of Disallowance No. 2024-002-100 (2022) dated August 8, 2024, on the confidential expenses of the OVP for the period from December 21 to 31, 2022, in the amount of ₱73,287,000.00, is **AFFIRMED.**

2. Section 10, Rule X of the 2009 Revised Rules of Procedure of the Commission on Audit,[9] as amended by COA Resolution No. 2011-006 dated August 17, 2011, states that a motion for reconsideration may be filed within thirty (30) days from notice of the decision:

> Section 10. Motion for Reconsideration. A motion for reconsideration may be filed within thirty (30) days from notice of the decision or resolution, on the grounds that the evidence is insufficient to justify the decision; or that the said decision of the Commission is contrary to law. Only one (1) motion for reconsideration of a decision of the Commission shall be entertained.

3. Since the petitioners, through counsel, received a copy of the Assailed Decision on April 22, 2026, they have thirty (30) days or until May 22, 2026, within which to file their Motion for Reconsideration. This Motion for Reconsideration is being timely filed today.

4. In affirming the Notice of Disallowance (ND), this Commission claims the following in the Assailed Decision:

a. In this case, the appellants were afforded due process when the ND was issued with a notice therein that audit disallowances not appealed within six (6) months from receipt thereof shall become final and executory as prescribed under Sections 48 and 51 of PD No. 1445. Further, they exercised the due process afforded them when they filed the petition for review before this Commission, questioning the audit disallowance and presenting evidence in their favor.[10]

b. It is noteworthy that the said Accomplishment Report was submitted by the OVP to the President of the Philippines, the Senate President, and the Speaker of the House of Representatives on January 13, 2023, in compliance with the reporting requirement under Item 5.2.1 of the JC.[11]

c. *On the disallowed payments of rewards totaling ₱69.787 Million.* The payment of rewards totaling ₱69,787,000.00 was disallowed in audit

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[9] Hereafter, "RRPC".
[10] See page 15, Assailed ND.
[11] See page 17, Assailed Decision.

due to the discrepancies between the submitted Accomplishment Report and the DEPs. These discrepancies were pointed out in Items 4 and 5 of NS No. 2023-001. Even though the OVP submitted letters dated March 13, 2024, and March 22, 2024, together with the List of Activities of VP Duterte; the reconciliation of CEs for the 4th quarter of CY 2022; and the breakdown of payment of rewards (various goods) to explain the discrepancies, the ICFAO determined that the OVP still failed to fully substantiate and support such expenditures are required by Item 4.8.5.b of the JC.[12]

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The payment of rewards in the form of cash, various goods, and medicines totaling ₱69,787,000.00 is considered CEs under Item 4.8.5 of the JC. These CEs are subject to the following conditions: 1) approval of the HoA; 2) supported with documents evidencing the success of the information gathering and/or surveillance activities on account of the information given by the informer; and 3) directly related to the conduct of the specific confidential activities of authorized agencies.[13]

The non-compliance with the aforementioned conditions in the payment of rewards was already pointed out in NS No. 2023-001. However, in the petition for review, the appellants argue that the second condition on supporting documents evidence success of the information-gathering and surveillance activities had been complied with, considering that there had been no untoward security-related incidents which hindered the conduct of the activities and threatened the safety of the people.[14]

Contrary to the appellants' assertion, this Commission holds that the OVP failed to provide documents evidencing the success of the information-gathering and/or surveillance activities. The submitted Accomplishment Report on the Utilization of Confidential and Intelligence Funds for the period from December 21 to 31, 2022, merely included a list of the CEs and a general statement that the activities were 100% implemented without any untoward security-related incident. However, it did not present the details or breakdown of the CEs and a narration of the success of the information-gathering and/or surveillance activities which were conducted. [15]

It is to be noted that the details or breakdown of the CEs prove the necessity of the incurrence thereof and the reasonableness of the

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[12] See page 18, Assailed Decision.
[13] *Id.*
[14] See page 19, Assailed Decision.
[15] *Id.*

amounts paid. For instance, in the case of payments of rewards in the form of various goods and medicines to the informers, the appellants needed to prove that such various goods and medicines were necessary and reasonable in the conduct of the confidential activities, and that the confidential activities were indeed successful. [16]

Further, other than their representations and certifications, which are self-serving, the appellants were not able to show that the confidential activities of the OVP were related to the purpose for which CFs were released to it. The enumerated activities of the OVP are observed to be governance in nature. There is no semblance of information gathering and/or surveillance activities related to national security, peace and order, or detection/prevention of illegal activities that pose a threat to personnel, property, and other resources under its protection. Thus, the expenses listed in the Accomplishment Report are not confidential in nature and should have been charged against the General Fund of the OVP, where appropriate.[17]

d. *On the disallowed purchases of tables, chairs, desktop computers, and printers amounting to ₱3.5 Million.* Following Item 4.8.4 of the JC, which requires that CFs be used for CEs pertaining to the purchase of supplies, materials and equipment for confidential operations that cannot be done through regular procedures without compromising the information-gathering activity concerned, the said items may be considered, to wit:[18]

- The tables and chairs, and the desktop computers and printers may be classified as materials and equipment, respectively; and
- Since the said items were used for surveillance operations, these could not have been purchased through regular procurement procedures.[19]

However, the tables, chairs, desktop computers, and printers were purchased using public funds. As such, the OVP must prove the use of public for the purchase thereof. In this regard, official receipts or sales invoices are required as DEPs, and not merely acknowledgment receipts.[20]

e. The OVP's CF must only be used for CEs enumerated in the JC and must be disbursed for CEs related to surveillance activities intended to

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[16] *Id.*
[17] *Id.*
[18] See page 20, Assailed Decision
[19] *Id.*
[20] *Id.*

support its mandate or operations. For the liquidation of cash advances of CF, the JC requires that it should be supported by, among others, Liquidation Report, DEPs, Certification by the HoA, and other supporting documents the ICFAU (now ICFAO) deems necessary for the proper evaluation thereof.[21]

f. Finally, the OVP's CEs, particularly the payment of rewards to informers, should be supported with documents evidencing the success of the information gathering and/or surveillance activities on account of the information given by the informers and should be directly related to the conduct of the specific confidential activities of the OVP. Likewise, the CEs must be properly substantiated as required under Section 4(6) of PD No. 1445. In this case, the Accomplishment Report on the Utilization of Confidential and Intelligence Funds, the DEPs, and the Certification submitted failed to comply with the guidelines and conditions set forth under the JC. Hence, the audit disallowance amounting to ₱73,287,000.00 is sustained.[22]

5. With due respect, the Assailed Decision must be set aside and reversed on the ground that it is contrary to law, and the evidence is insufficient to justify the decision.

6. ***The Assailed Decision is contrary to law as it violates the petitioners' constitutional right to due process.*** The fundamental law ordains that "[n]o person shall be deprived of life, liberty, or property without due process of law."[23] In fact, in Villarete v. Commission on Audit[24] the Supreme Court defined procedural due process in relation to COA audit proceedings in this wise:

> Procedural due process is met when one is given notice and the opportunity to be heard and explain their side. It gives a party the chance to seek reconsideration of an action or ruling complained of. A party is denied the opportunity to avail of the reliefs available to them if they are not notified of a decision involving them, especially one where they stand to lose life, liberty, or property. Such is a violation of their due process.

7. The observance of fairness in the conduct of any investigation is at the very heart of procedural due process. The essence of due process is to be heard, and, as applied to administrative proceedings, this means a fair and reasonable opportunity to explain one's side, or an opportunity to seek a reconsideration of the action or ruling complained of.[25]

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[21] See page 21, Assailed Decision.
[22] *Id.*
[23] 1987 Constitution, Article III, Section 1.
[24] G.R. No. 243818, April 26, 2022.
[25] Besaga v. Acosta, G.R. No. 194061, April 20, 2015, citing Vivo vs. Pagcor, G.R. No 187854, November 12, 2013, 709 SCRA 276, 281.

8. Not only must the issuance of the Assailed Decision follow established procedures, its substance must likewise conform to existing laws and jurisprudence.

9. In Delos Santos v. Commission on Audit,[26] the Supreme Court explained that disallowance shall clearly and distinctly state the findings of fact and supported by applicable laws, rules, jurisprudence, and the generally accepted accounting and auditing principles:

> The 1997 Rules of Procedure of the COA provide that **the auditor's findings must clearly state the basis for its findings**, viz.:
>
> SECTION 4. Report, Certificate of Settlement and Balances, Notice of Disallowances and Charges, Order or Decision of the Auditor. — The result of the audit work of the Auditor may be in the form of a report, Certificate of Settlement and Balances, notice of disallowances and charges, audit observation, order or decision which shall clearly and distinctly state his findings of fact, conclusions, recommendations and dispositions. The factual findings shall be adequately established by evidence and the conclusions, recommendations or dispositions shall be supported by applicable laws, regulations, jurisprudence and the generally accepted accounting and auditing principles on which the report, Certificate of Settlement and Balances, notice of disallowances and charges and order or decision are based. (emphasis supplied)
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> **Indeed, jurisprudence is consistent in holding that the constitutional rule requiring a clear and distinct statement of factual and legal basis of a resolution/decision is an indispensable component of the litigant's right to due process. Failure to state clear basis for its decision constitutes grave abuse of discretion.** (emphasis supplied)

10. In Manankil v. COA,[27] the Supreme Court emphasized that **a notice of disallowance cannot be ambiguous as to the reasons justifying its issuance** and **the COA's failure to specify the ground relied upon for its disallowance raises serious concerns**:

> Inasmuch as it serves to notify a person charged with liability over a disallowed expenditure, the ND cannot be ambiguous as to the reasons justifying its issuance. The COA's failure to specify the ground relied upon for its disallowance raises serious concerns, viz.: first, it casts

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[26] G.R. No. 227467, G.R. No. 3, 2021, citing Zamboanga City Water District v. Commission on Audit, G.R. No. 218374, 01 December 2020

[27] G.R. No. 217342, October 13, 2020.

> doubt over the COA's authority to disallow the expense in question, the grounds being jurisdictional; and second, it also deprives the persons found liable a fair opportunity to set up an effective case for their defense-a violation of their fundamental right to due process amounting to grave abuse of discretion.
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> Later on, the COA Regional Director and COA Proper still did not cite a specific ground in upholding the disallowance. Notably, aside from being "contrary to the provisions of the contract," the COA also upheld the disallowance for being "contrary to law," impliedly categorizing the subject disbursement as "illegal" by definition.
>
> Verily, the Court recognizes the wide latitude given to the COA in the discharge of its constitutional duty as the "guardian of public funds and properties." **However, the COA must be deliberate and straightforward in its charges. Its far-reaching jurisdiction cannot serve to justify its complacency in the performance of constitutional functions or to rectify due process violations**.

11. It must be recalled that on October 4, 2023, the OVP received Audit Observation Memorandum[28] No. 2023-211 dated September 14, 2023[29] which sought clarifications on the supposed deficiencies noted in Liquidation Report No. 2022-12-152 dated January 10, 2023 involving the sum of ₱125 Million.[30] The Liquidation Report was submitted by petitioner Acosta as the Special Disbursing Officer[31] of the OVP. On even date, petitioners likewise received AOM No. 2023-213 dated October 3, 2023[32] pertaining to the same Liquidation Report of petitioner Acosta.

12. The First AOM sought clarification on the following items:

(a) The details of the confidential activities undertaken and the Confidential Expenses (CEs) incurred in the OVP's Accomplishment Report;

(b) The particular period covered by the confidential funds, i.e. for the whole year or for the 4th quarter of 2022 only.

13. The Second AOM reiterated the First AOM and raised the following issues:

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[28] Hereafter, "AOM".
[29] Hereafter, the "First AOM".
[30] Covered by Check No. 244027 dated December 20, 2022.
[31] Hereafter, "SDO".
[32] Hereafter, the "Second AOM".

(a) The ₱40 Million provision for Medical and Food Aid and the ₱10M payment of incentives or travelling relative to confidential operations do not fall under 4.8 of the JC;

(b) No document evidencing the success of the information gathering and/or surveillance activities was furnished to the COA;

(c) Alleged non-submission of a certified copy of the Special Budget Request as a supporting document of the Disbursement Voucher (DV) covering the CF issued to the OVP;

(d) Alleged lack of proof of submission of Accomplishment Report (AR) to the Office of the President, Senate President, and the Speaker of the House of Representatives;

(e) The DV for the cash advance was approved by Mr. Lemuel G. Ortonio, Assistant Chief of Staff, instead of the Head of Office.

14. On December 18, 2023, the petitioners received a Notice of Suspension No. 2023-001 dated December 13, 2023.[33] Paragraph 2 of the NS states:

> 2. The DEP's likewise revealed that the OVP incurred the following expenses supported with Acknowledgment Receipts:
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> | | |
> |---|---|
> | Payment of Reward (Various Goods) | ₱34,857,000 |
> | Payment of Reward (Medicines) | 24,930,000 |
> | Payment of Purchased Supplies | 11,813,000 |
> | Payment of Tables and Chairs | 500,000 |
> | Payment of Desktop Computers and Printers | 3,000,000 |
>
> Since the aforementioned expenses pertain to purchases, the same should be supported with either sales invoices or official receipts as evidence of payment of purchases from establishment. (Emphasis supplied)
>
> Likewise, we noted that the payment for tables, chairs, desktop computers and printers were among the expenses charged to confidential fund cash advance without specifying that they were intended for the confidential operations/ activities undertaken by the OVP. Thus, we require management to provide us the necessary information/ data to address the noted observation.

15. On August 9, 2024, petitioners Duterte and Acosta received the Notice of Disallowance No. 2024-002-100 (2022) dated August 8, 2024.[34] Petitioner Villadelrey received the same ND on August 12, 2024.[35] The subject ND claims the following purported deficiencies:

> a. Non-submission of documents evidencing the success of information-gathering and/or surveillance activities to support the Acknowledgment Receipts for payments of

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[33] Hereafter, "NS".

[34] See supra note 3, page 3.

[35] *Id.*

rewards in cash, various goods, and medicines in the total amount of ₱69.687 Million;

b. Failure to specify the payments for tables, desktop computers and printers in the total amount of ₱3.5 Million as intended for confidential operations/activities undertaken by the OVP, non-compliant with the requirement of Item 4.8.4 of the JC; and

c. Non-submission of the revised Accomplishment Report to the OP, Senate President, and Speaker of the House of Representative.

16. Note that in the ND, the COA – ICFAO removed its earlier requirement under the NS for the submission of sales invoices and official receipts in relation to the OVP's payments of rewards, supplies, and purchases of tables, chairs, and desktop computers totaling ₱3.5 Million. The ICFAO clearly acknowledged the OVP's submission of Acknowledgment Receipts as full compliance with substantiation requirements concerning payments of rewards and various purchases.

17. As to the third ground, the Honorable Commission itself admitted in the Assailed Decision that the Accomplishment Report was duly submitted to the Office of the President, the Senate President, and the Speaker of the HOR on January 13, 2023, and that this submission is compliant with the reporting requirement under Item 5.2.1 of the JC, as shown below:

> It is noteworthy that the said Accomplishment Report was submitted by the OVP to the President of the Philippines, the Senate President, and the Speaker of the House of Representatives on January 13, 2023, **in compliance with the reporting requirement under Item 5.2.1 of the JC**.[36] (Emphasis supplied)

18. It is therefore clear that this Honorable Commission has reversed the ND on this point, and that this ground for disallowance has already been set aside.

19. However, with respect to the first two remaining grounds for disallowance, the subject ND must still be struck down for failure to clearly and distinctly state its specific factual and legal bases, in accordance with the aforecited rulings of the Supreme Court in *Delos Santos*[37] and *Manankil*.[38]

20. First, the ND is facially deficient as it failed to specify which category of disallowable expenditure the subject CEs in the total amount of ₱73.287 Million purportedly fall, whether illegal, irregular, unnecessary, excessive, extravagant or

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[36] See page 17, Assailed Decision.
[37] See supra note 26.
[38] See supra note 27.

unconscionable.[39] The Assailed Decision compounded this error by failing to explain how the alleged non-submission of documents or lack of specificity in the payments of CE, which to stress, is classified in nature, actually constitutes any of the prohibited expenditures.

21. Second, both the ND and the Assailed Decision, are in fact, conspicuously silent on any finding of any loss of public funds or prejudice to the government. Neither is there any finding therein that the petitioners misappropriated or misused the same for their personal benefit. This only serves to prove that there was no loss, no misuse, or any misappropriation and thus, these expenditures should never have been disallowed to begin with.

22. In fact, when asked by Rep. Leila De Lima if there is anything in the COA Decision as to the alleged misuse of funds during the hearing before the Committee on Justice on April 14, 2026, State Auditor V of the ICFAO, Atty. Gloria A. Camora, categorically stated that there was no such portion in the Assailed Decision:

> **De Lima:** Meron din hong bang nakasabi, although I know na sabi nga po, lininaw po niya ng ating chair na let's wait for the copy. Yung talagang official copy of the decision, although you have it already but we want really yung pinaka-official in the sense na nandyan yung hard copy. Ay natatandaan niyo ho ba kung sa desisyon na yan ay may nakasabi doon? Na mali talaga yung paggamit ng mga confidential funds sa OVP. Hindi alinsunod sa Circular. So joint circular.
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> **Atty. Camora:** Hmm. Madam Chair, it's... Sandali lang po ulit.
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> **De Lima:** Hindi sa mga tamang gamit ang confidential funds as prescribed under the Joint Circular.
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> **Atty. Camora:** Um. Nakalagay po, in this case, the accomplishment report on the utilization of confidential and intelligent funds, the DEPs and the certifications submitted fail to comply with the and conditions set forth under the Joint Circular po.
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> **De Lima:** Tama rin po ba ang isipin na kapag sinabing fail to comply with the requirements. Or the um. Yes, the requirements of the joint circular is there is a misuse of the confidential funds. Kasi tamang paggamit. **So kung hindi tama yung paggamit, then there's misuse of the confidential funds. Tama po bang interpretation na yan?**
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> **Atty. Camora:** **There is no such indication dito sa joint, uh sa decision po. It's just that hindi po nag-comply with the joint circular.**

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[39] Section 5.3.2 of RRSA, in relation to Section 2(2), Article IX-D of the 1987 Constitution, Section 33 of PD 1445 and COA Circular No. 2012-003; hereafter, "IUEEU".

**De Lima:** Kaya nga po, kung hindi nag-comply ng joint circular and the joint circular in the specific section enumerated the various uses, the legal uses of... of Confidential Funds. Di ho ba?

**Atty. Camora:** I can only quote po kung ano yung nakalagay sa decision, which is yun po.

**Luistro:** Yes, kindly confine your answer to the contents of the decision.

**Atty. Camora:** Yes po, which is yun po, fail to comply with the guidelines and conditions set forth in the Joint circular.[40] (Emphasis supplied)

23. Third, the ND is equally bereft of any allegation, let alone proof, of any specific acts or omissions on the part of the petitioners that would amount to gross negligence, malice, or bad faith.

24. Yet, despite these glaring omissions, the ND would hold the petitioners personally liable for their alleged mere participation, without so much as a specific allegation and proof of wrongdoing to justify that result. Neither was there any allegation nor explanation in the Assailed Decision of any specific acts or omissions that would constitute gross negligence, malice or bad faith on the part of the petitioners.

25. Fourth, as squarely raised by the petitioners in their Petition for Review and which the Assailed Decision glossed over, the ND nowhere identifies the petitioners as the payees or actual or intended recipients of the CFs. Neither does it contain any finding that the actual payees or recipients bear liability to return the disallowed amounts. Thus, requiring the petitioners to restitute amounts they neither received nor benefited from despite the absence of any loss to the government would result in unjust enrichment at their expense.

26. Fifth, by holding the petitioners liable to restitute the supposed disallowed amounts despite the absence of any established loss of public funds or prejudice to the government, this Commission effectively imposed a penalty and exceeded the bounds of its constitutional authority.

27. In Biong v. Commission on Audit,[41] the Supreme Court held that the absence of loss, damage, or injury to PhilHealth Region III as a result of the payments made to Silicon Valley is fundamentally incompatible with the imposition of civil liability on petitioner Biong under the NDs. Thus, the imposition of civil liability on petitioner

[40] https://youtu.be/DxsaqoQzBMs?t=28314 . Last accessed on May 17, 2026.
[41] G.R. No. 258510, May 28, 2024.

Biong on the ground of his gross negligence already partook of the nature of a fine or a penalty, over which the Commission has no jurisdiction:

> To stress, a liability for disallowance partakes of the nature of an obligation for restitution. Thus, the amount that should be returned by persons held liable under an ND should not exceed the loss, damage, or injury to the government. Consequently, **the absence of loss, damage, or injury to PhilHealth Region III as a result of the payments made to Silicon Valley is inconsistent with petitioner Biong's liability under the subject NDs.**
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> **Evidently, the disallowances in this case were impelled by the COA's desire to punish petitioner Biong for his supposed "apparent and consistent negligence"** as the GSU Head – not to obligate the return of the amounts paid to Silicon Valley.
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> To the Court's mind, the COA's imposition of civil liability on petitioner Biong on the ground of his gross negligence already partook of the nature of a fine or penalty. **Verily, the COA overstepped its audit powers and had effectively usurped the disciplinary powers of the PhilHealth, the Civil Service Commission, and/or the Office of the Ombudsman over petitioner Biong.** (emphasis supplied)

28. Applying the foregoing principles to the facts obtaining in this case, since the disallowance was issued without any established or categorical finding of loss or damage to the government, the disallowance operates as a punitive measure against the petitioners, which is outside the bounds of the constitutional audit powers of this Commission.

29. Sixth, the Assailed Decision imposed additional requirements that were not originally found, specified, nor identified in the subject ND in the first place.

30. As stated above, the subject ND faulted the petitioners solely for allegedly failing to specify whether the payments for tables, desktop computers and printers were intended for confidential operations/activities undertaken by the OVP.

31. Confronted with this issue, this Commission itself agreed with the petitioners that those disbursements were indeed made in furtherance of confidential operations or activities undertaken by the OVP, and accordingly rejected the disallowance on that basis. The relevant portion of the Assailed Decision reads as:

> Following Item 4.8.4 of the JC, which requires that CFs be used for CEs pertaining to the purchase of supplies, materials and equipment for confidential operations that cannot be done through

regular procedures without compromising the information-gathering activity concerned, **the said items may be considered covered, to wit:**

- **The tables and chairs, and the desktop computers and printers may be classified as materials and equipment, respectively; and**

- **Since the said items were used for surveillance operations, these could not have been purchased through regular procurement procedures.**[42] (emphasis supplied)

32. It is therefore beyond dispute that the original ground for disallowance stated in the ND – that the payments for tables, desktop computers and printers totaling ₱3.5 Million were intended for confidential operations or activities undertaken by the OVP - has already been squarely resolved in petitioners' favor and effectively set aside.

33. Yet, the Assailed Decision arbitrarily reintroduced a ground that was already abandoned by the COA-ICFAO and removed in the ND, when this Commission all of a sudden required the petitioners to prove the actual purchase of these items through official receipts or sales invoices, and not merely through acknowledgment receipts. The Commission's own findings in the Assailed Decision acknowledge that the payments were indeed made in connection with confidential activities, and are therefore classified in nature under the JC.

34. This pattern of reintroducing old and previously resolved issues and shifting justifications for the disallowance of the CEs not only deprived the petitioners of meaningful opportunity to squarely address them but also exposes the absence of any definitive, justifiable, and consistent audit conclusion on the part of the Commission itself.

35. Seventh, the supposed deficiencies cited by the Commission in the Assailed Decision, by their very nature, amount to nothing more than observations which are proper for an AOM only, and fall short of the legal threshold required to sustain the issuance of a Notice of Disallowance.

36. It is a fundamental rule in government auditing that a transaction is disallowed only when it is disapproved either in whole or in part for being illegal, irregular, unnecessary, excessive, extravagant or unconscionable expenditure and only upon such finding can a Notice of Disallowance be properly issued for the disallowed amount.[43]

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[42] See page 20, Assailed Decision.

[43] Section 5.3.2 of RRSA, in relation to Section 2(2), Article IX-D of the 1987 Constitution, Section 33 of PD 1445 and COA Circular No. 2012-003.

37. The Revised Rules on Settlement of Accounts[44] is likewise unequivocal on this point: where an audit decision cannot as yet be reached due to incomplete documentation/information, or if the deficiencies noted refer to financial or operational matters which do not involve pecuniary loss, the proper action would be to issue an AOM and not a Notice of Disallowance. The pertinent provision of the RRSA reads:[45]

> 5.3 The audit and examination of transactions pertaining to an account shall be done in accordance with laws, rules, and regulations and standards to determine whether these transactions may be allowed, suspended, disallowed or charged in audit. **In case an audit decision cannot as yet be reached due to incomplete documentation /information, or if the deficiencies noted refer to financial or operational matters which do not involve pecuniary loss, and Audit Observation Memorandum (AOM) shall be issued.**[46] (emphasis supplied)

38. Here, the subject ND rests on remarkably thin foundation, namely the alleged: (a) non-submission of (i) documents evidencing the success of information-gathering and/or surveillance activities, and (ii) revised Accomplishment Report to the OP, Senate President, and Speaker of the House of Representative; and (b) failure to specify the payments for confidential funds for tables, desktop computers and printers as intended for confidential operations/activities undertaken by the OVP.

39. Significantly, the Assailed Decision made clear that these are the totality of the alleged audit findings and nothing more.

40. In fact, this Commission itself concedes in the first paragraph of page 18 of its Assailed Decision that these purported deficiencies are purely matters of substantiation.

41. On the other hand, the Commission does not allege, because it cannot, that even a single centavo or any portion of the CFs was lost, dissipated, diverted to unauthorized purposes, or personally appropriated by the petitioners. There is no finding of misuse or misappropriation. In other words, the Commission simply quarrels with a particular paperwork, which in the first place, is not required under the JC.

42. It is thus clear that the issuance of an ND was legally unwarranted and contrary to the RRSA. Under the RRSA, substantiation deficiencies of this nature (assuming *arguendo* to be true), do not automatically ripen into a disallowance and treating them as such simply stretches the Commission's audit authority well beyond its proper bounds. Moreover, the vagueness of the subject ND deprives the petitioners a meaningful opportunity to intelligently answer the accusations against them. It cannot be denied that a notice that fails to inform is not a notice at all.

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[44] Hereafter, "RRSA".
[45] RRSA, Section 5.3.
[46] *Id.*

43. Eight, this Commission compounded its glaring errors by affirming the subject ND on an entirely new ground that was never raised in any of the AOMs that preceded it. This afterthought introduction of additional "basis" for disallowance violates the petitioners' right to due process as this was not contained in the AOMs that they were required to answer.

44. Yet, the Assailed Decision attempts to deflect this concern by contending that an AOM is a mere preliminary audit issuance but not a condition before an ND/Notice of Charge can be issued, and that the petitioners were afforded due process when they filed the petition for review before the COA questioning the disallowance and presenting evidence in their favor.

45. However, this reasoning by the Commission in its Assailed Decision inverts and worse, ignores the very essence of due process. The opportunity to contest a finding after it has already been used to disallow expenditures is not a substitute to address that finding before the disallowance is issued.

46. If at all, it is evident from the circumstances surrounding the issuance and release of the AOMs, ND, and of the Assailed Decision by this Commission before the general public and the Committee on Justice of the House of Representatives at the hearing on April 14, 2026 in the impeachment proceedings against the petitioner Vice President even before the lapse of the period for petitioners to question them, that this hyped-up "audit findings" and remediation after the fact is not due process at all. The supposed audit deficiencies were evidently framed to support and build an impeachment case against the petitioner Vice President.

47. In fact, the petitioners were deprived of due process of law when this Commission introduced a new audit finding in the Assailed Decision that the payment of ₱3.5 Million for tables, chairs, desktop computers, and printers must be supported by official receipts or sales invoices – an inexistent requirement under the JC - that was never raised by the COA-ICFAO in the ND or its previous AOMs as shown in our above discussion. Note that the AOMs do not even require the submission of official receipts and/or invoices to substantiate the purchases of the OVP. The AOMs only mentioned the submission of documentary evidence of payment consistent with the requirements of the JC and existing government accounting and auditing rules.

48. Certainly, the AOM is not a mere formality but serves as a due process mechanism deliberately embedded in the audit procedure. It ensures that public officers are informed of any audit observations and thus given a genuine opportunity to respond thereto before any disallowance is imposed.

49. Section 4.9 of the RRSA defines Audit Observation Memorandum as:

> 4.9 Audit Observation Memorandum (AOM) - a written notification to the agency head and concerned officer/s

> informing of deficiencies noted in the audit of accounts, operations or transactions and **requiring comments thereto and/or submission of documentary and other information and requirements** within a reasonable period.[47] (Underscoring and emphasis supplied)

50. Thus, by definition alone, the AOM is, in the RRSA's own terms, **a notice requirement.** It obligates the auditing authority to comply with the due process requirement by informing the agency head and concerned officers, in this case, the petitioners, of any supposed deficiencies in the audit of the transactions.

51. This notice requirement thus guarantees the petitioners a reasonable period and opportunity within which to comment, explain, or submit documentary and other information or requirements. Simply put, the AOM serves as a due process mechanism ingrained in the audit process.

52. Here, the ND posits that the Accomplishment Report failed to specify the payments for confidential funds for tables, desktop computers and printers as intended for confidential operations or activities undertaken by the OVP.

53. By the very terms of this supposed finding, it is clear that the same rests on a mere documentary deficiency alleged by the ICFAO, and not a finding of fraud, misuse, or misappropriation. Neither is it a finding that public funds were indeed diverted or misused by any of the petitioners, nor a finding that there was loss or damage to the government.

54. On the contrary, it is evident that a finding of such nature is grounded entirely on alleged documentary issues, which merely necessitate the prior issuance of an AOM, as no definitive audit conclusion had been reached due to purportedly incomplete documentation or information, and there is no averment of pecuniary loss or prejudice to the government.

55. By dispensing with the requisite AOM for the purported specific findings made by COA-ICFAO, and instead railroading the audit by proceeding directly with the issuance of the NS and the subject ND, petitioners were effectively deprived of the fair opportunity to squarely and intelligently answer the findings therein or raise substantive defenses to rebut the conclusions made by the COA-ICFAO. We note that the First and Second AOMs contain nothing but general allegations of supposed noncompliance by the OVP of the requirements of the JC. They do not contain figures which reflect the OVP's Accomplishment Report except for the total CF under audit of ₱125 Million, the ₱40 Million provision for Medical and Food Aid, and the ₱10M payment of incentives or travelling relative to confidential operations, which according to the AOMs do not allegedly fall under item 4.8 of the JC.

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[47] RRSA, Section 4.9.

56. The argument that this violation was cured because the petitioners could raise their defenses in the response to the NS or the subject ND cannot cure the already committed transgression of their fundamental right to due process. The fact that this alleged deficiency was later on lifted by the Honorable Commission in the Assailed Decision only serves to further prove such violation.

57. Ninth, by unduly demanding the submission of detailed breakdowns of confidential expenditures, narrative accounts of information-gathering and surveillance activities, and any other proof of success of these operations, the respondent and this Commission imposed requirements that nowhere appear in the JC, nor in any law, rule or regulation governing the disbursement of confidential funds, precisely because they are **classified in nature.**[48]

58. Worse, these imaginary standards imposed by this Commission arbitrarily subject the petitioners to a different set of standards from those other public officers with similar confidential expenses, and applied this new, yet imaginary set of standards retroactively on the petitioners who undeniably relied on the plain, clear, and unambiguous language of the prevailing rules and regulations under the JC. Simply put, the standards that this Commission would want to impose on the petitioners – and petitioners alone – are beyond the contemplation of the JC.

59. It must be emphasized too that there is no rule, regulation, or law requiring the submission of official receipts or sales invoice of confidential expenses as the Commission posit under the Assailed Decision. On the contrary, the JC merely requires DEPs or documents evidencing payments, which the respondent and the Commission do not dispute were indeed submitted to them.

60. Note that the due process obligations embodied in the RRSA are explicit, unambiguous, and squarely within this Commission's expertise. Thus, an office that exists precisely to enforce audit rules cannot credibly claim ignorance of those rules and fundamental guarantees when it suits the outcome they were eager to supply the Committee on Justice despite its non-finality and the fact that legal remedies are still available to the petitioners. There is simply no justifiable excuse to omit a notice requirement that is as elementary as the basic rules of fair play.

61. In light of the foregoing, by failing to clearly and distinctly state the specific factual and legal bases thereof, the petitioners were left to speculate on the grounds of their alleged liability and depriving them of a fair opportunity to present an effective defense, in violation of their fundamental right to due process.

62. In other words, the Assailed Decision affirming the defective ND and adjudging petitioners liable for the disallowance based on a purported finding they

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[48] *** The utilization of such funds is generally confidential and classified by nature, which requires not only strong internal controls in the release and utilization thereof, but also strict accounting and auditing rules to prevent mishandling or improper application of the funds. (Item 1 of the JC)

were not apprised of, is tantamount to a punishment without the observance of petitioners' constitutional right to due process.

63. *Apropos* hereto is the ruling of the Supreme Court that **"[w]here the denial of the fundamental right of due process is apparent, a decision rendered in disregard of such right is void for lack of jurisdiction.** Any judgment or decision rendered notwithstanding such violation may be regarded as a **lawless thing, which can be treated as an outlaw and slain at sight, or ignored wherever it exhibits its ugly head.**"[49]

64. Again, inasmuch as the proceedings before respondent were demonstrably attended by due process defects, the subsequent issuance of the NS and the subject ND are void for lack of jurisdiction, treated as an outlaw, slain at sight, or ignored wherever it exhibits its ugly head, *pursuant to categorical jurisprudential pronouncements.*

65. ***Nothing in the JC supports the requirements demanded by the Commission to prove success of information-gathering or surveillance activities.*** The Assailed Decision affirmed the disallowance of the payment of rewards in the form cash, various goods, and medicines, in the total amount of ₱69.587 Million allegedly because the OVP failed to submit documents evidencing the success of the information gathering and/or surveillance activities purportedly pursuant to Item 4.8.5(b) of the JC:

| | |
|---|---|
| Reward Payment | ₱10,000,000.00 |
| Payment of Reward (Various Goods) | 34,857,000.00 |
| Payment of Reward (Medicines) | 24,930,000.00 |
| Total | ₱69,787,000.00 |

66. In the Assailed Decision, this Commission claims that:

a. The submitted Accomplishment Report on the Utilization of Confidential and Intelligence Funds for the period from December 21 to 31, 2022, merely included a list of the CEs and a general statement that the activities were 100% implemented without any untoward security-related incident.

b. It did not present the details or breakdown of the CEs and a narration of the success of the information-gathering and/or surveillance activities which were conducted.

[49] Barroso v. Commission on Audit, G.R. No. 253253, April 27, 2021; see also Ombudsman v. Conti, G.R. No. 221296, February 22, 2017.

c. The petitioners were not able to show that the confidential activities of the OVP were related to the purpose for which CFs were released to it. The enumerated activities of the OVP are observed to be governance in nature.

d. There is no semblance of information gathering and/or surveillance activities related to national security, peace and order, or detection/prevention of illegal activities that pose a threat to personnel, property, and other resources under its protection.

67. Proceeding from the above, this Commission then took a leap in logic and concluded that the expenses listed in the Accomplishment Report are not confidential in nature and should have been charged against the General Fund of the OVP.[50]

68. However, before this argument can be taken seriously, a threshold question must be answered: is there any provision in the Joint Circular that requires any specific metrics or benchmarks for determining the success or failure of a covert intelligence or confidential activity? The answer is none. The JC is simply silent.

69. First, nowhere in the JC is there any requirement, whether express or implied, for the submission of "details or breakdown of the CEs and a narration of the success of the information-gathering and/or surveillance activities" as a condition to validate or support the CEs. In fact, the Assailed Decision did not cite any law, rule, regulation, standard, precedent, expert opinion or established practice that was cited by the Honorable Commission to support the imposition of this so-called requirement.

70. Assuming arguendo that some requirement to demonstrate success could be inferred from the JC, neither the JC nor any COA regulations prescribe a standard or measure, or documentary requirements for determining success of the information-gathering and/or surveillance activities in civilian government agencies, such as the OVP.

71. Second, the Assailed Decision failed to consider that the petitioners are in the best position to determine the success of OVP's confidential activities based on the expected outcomes or accomplishment of its intended confidential activities.

72. This is clear and plain from Item 3.9 of the JC defining confidential expenses:

3.9 Confidential Expenses (CE) – refer to those expenses pertaining/related to **surveillance activities in civil government agencies that are intended to support the mandate or operations of the agency**. (Emphasis supplied)

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[50] See page 19, Assailed Decision.

73. Bearing this definition in mind, the petitioners submitted an Accomplishment Report,[51] a VPSPG Certification[52] attesting to the successful conduct of the confidential activities, the narrative of the Accomplishment Report,[53] and a list of 105 activities[54] attended by petitioner Duterte and held by the OVP from December 13 to 31, 2022. Moreover, the Accomplishment Report already set out the distinct phases of each OVP activity, i.e., planning, operational, and post-deployment, all of which involved surveillance or information-gathering and thus, necessarily entailed the incurrence of related confidential expenses. These documents were submitted in good faith and substantially comply with the requirements of the JC, based on their sound judgment, which the COA cannot supplant. In the absence of any specific standard prescribing the form of such compliance, the OVP's reasonable and documented assessment of its own operations is entitled to deference, which this Commission has no legal basis to override and brush aside.

74. Third, the Commission's implicit expectation that the OVP must demonstrate success of its confidential activities through typical law enforcement outcomes such as the thwarting of a terrorist attack or the arrest of an accused based on the information gathered from an informer fundamentally misunderstands the nature of a civilian government agency's confidential operation. To impose on a civilian agency the standards appropriate to law enforcement agencies or any military intelligence apparatus is to apply the wrong standards on the wrong entity.

75. Further, the Commission ignores the fact that the JC itself draws this distinction clearly, as the only criterion explicitly given in the JC is that confidential funds for surveillance and information-gathering activities of civil government agencies **must be utilized in support of its mandate and operations,**[55] which cannot be done through normal channels without compromising the success of the mission.

76. In her letter dated August 22, 2022 to Secretary Amenah F. Pangandaman,[56] petitioner Vice President set out in plain terms that the confidential funds were requested to ensure the safe implementation of the various projects and activities under the Good Governance program and the conduct of official engagements and functional representation in international and domestic events as instructed by the President:

> 4) Confidential funds
>
> For and in consideration of the **safe implementation of the various projects and activities under the Good Governance program and the conduct of official**

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[51] Annex P, Petition for Review.
[52] Attached to the OVP's letter dated October 19, 2023. Herein attached as Annex A.
[53] Annex Q, Petition for Review.
[54] Annex O, Petition for Review.
[55] 3.9 Confidential Expenses (CE) – refer to those expenses pertaining/related to surveillance activities in civilian government agencies that are intended to support the mandate or operations of the agency. (Item 3.9 of the JC)
[56] Annex B, Petition for Review.

> **engagements and functional representation in international and domestic events as instructed by the President**, the CF amount of P250 Million is hereby requested.
>
> The Office of the Vice President is committed to formulate programs, projects, and activities (PPAs) relevant to national security and peace and order, and is devoted to implement said PPAs with proper security and safety protocols for the benefit of the Institution through the OVP satellite offices, its partner stakeholders, and the general public. (Emphasis supplied)

77. The purpose therefore of the subject CFs was never a mystery. Thus, when the petitioners explained that the primary indicator of success of the OVP's information gathering and/or surveillance activities is the successful implementation of its programs, projects, and activities without any untoward security-related incidents that could hinder the activities or endanger public safety, they are simply being compliant with the JC in accordance with the stated purpose of the CFs in that they must be utilized in support of the agency's mandate and operations.

78. In this case, records show that the success of these activities was demonstrated by the fact that the OVP's programs and activities were conducted and completed without any significant safety or security issue. Accordingly, in support of the Accomplishment Report,[57] the OVP submitted the VPSPG Certification[58] attesting to the successful conduct of the confidential activities, the narrative of the Accomplishment Report,[59] as well as a list of 105 activities,[60] which collectively show that the confidential activities were properly verified by authorized officers and duly documented.

79. Fourth, it is indisputable that there is a reason confidential operations are called *confidential*, and by the JC's own terms, *classified in nature.*[61] The very nature of the information-gathering and/or surveillance activities as well as the security and operational protocols, preclude the kind of detailed disclosure of sensitive information that this Commission seemingly proposes, such as the identities of the confidential agents involved in covert operations and the details of their information-gathering and/or surveillance activities.

80. Yet, the Assailed Decision faulted the petitioners for supposedly failing to provide proof that the confidential activities of the OVP were related to the purpose of the CFs and their relatedness to national security, peace and order, or detection/prevention of illegal activities that pose a threat to personnel, property, and

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[57] See supra note 51.
[58] See supra note 52.
[59] See supra note 53.
[60] See supra note 54.
[61] See supra note 48.

other resources under its protection, despite the fact that again, the OVP had already submitted the Accomplishment Report, a VPSPG Certification, among others.

81. Even worse, ignoring the plainly confidential and classified nature of the confidential expenses, the Assailed Decision insists that the petitioners are further required to submit the specific details of the information-gathering and/or surveillance activities, or to identify the particular confidential operations undertaken by the OVP, to allegedly justify the payment of rewards. However, the Assailed Decision still failed to cite any law, rule, regulation, procedural guideline, policy, principle, or established practice that would require such disclosures as part of the liquidation of confidential funds.

82. On this basis alone, the subject ND must be struck down for being arbitrary and without any legal foundation. A disallowance and decision premised on an alleged failure to comply with a requirement that not only does not exist but also clearly has no legal foundation, are clearly arbitrary, and arbitrariness has never been a legitimate exercise of auditing powers.

83. With due respect, this Commission cannot feign ignorance of the confidential and sensitive nature of confidential activities as this is embodied in its own regulations. In COA Circular No. 92-385,[62] the COA recognized the confidential nature of confidential activities as follows:

> WHEREAS, **these intelligence and confidential activities, by their very nature, are highly sensitive and confidential operations or missions** the details of which cannot be divulged without posing a threat to national security or to the success of the mission. (emphasis and underscoring supplied)

84. It is significant to state that this definition, in clear and unambiguous terms, did not come from the petitioners nor the OVP. These words and definition are this Commission's own words. It is thus confounding why this Commission had all of a sudden chosen to demand from the OVP disclosure of confidential activities, which by its own words, *the details of which cannot be divulged without posing a threat to national security to the success of the mission.*

85. The legal framework of non-disclosure of confidential matters finds further support under Section 3, OP Memorandum Circular No. 78, series of 1964, which requires that a properly trained and cleared Security Officer shall be appointed in every Department of the Government which handles classified matter. Confidential Matter refers to information and material (matter) the **unauthorized disclosure** of which, while not endangering the national security, would be prejudicial to the interest or prestige of the nation or any government activity, or would cause administrative

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[62] https://www.coa.gov.ph/issuances/circulars/##98-1245-wpfd-cy-1992 , last accessed on May 18, 2026.

embarrassment or unwarranted injury to an individual or would be of advantage to a foreign nation.[63]

86. Thus, at the core of every intelligence and confidential operation lies the inviolable principle of protection of highly sensitive and confidential information, which is an operational necessity logically because any such disclosures may pose a threat to national security or compromise the success of the mission.

87. The necessity of protecting classified information relating to confidential activities is explicit under Item 5.3 of the JC:

> 5.3 Protection of Security Information
>
> With due regard for the protection from unauthorized disclosure of classified information relating to sensitive, confidential and intelligence matters, the following procedures shall be observed:
>
> 5.3.1 The HoA shall classify the information reflected on the required status reports on CF and IF as "Confidential", using as reference the provisions of OP Memorandum Circular Nos. 78, s. 1964 and 196, s. 1968; Letter of Instruction 1420 s. 1984; EO 608, s. 2007, and its Implementing Rules and Regulations dated 14 April 2009.
>
> 5.3.2 The Security Officer duly designated by the HoA to handle the intelligence report, and was issued security clearance to have access to such classified information, shall submit accomplishment report pursuant to Section 5.2 of this Joint Circular.

88. Thus, requiring the OVP to submit additional information betrays a fundamental misapprehension of the nature of confidential activities, which, by their nature, prohibits the unauthorized disclosure of sensitive, confidential, and intelligence information. Such demand, absent any authority, not only disregards established protocols governing confidentiality, but also risks compromising the success of the mission, operational security and the safety of personnel involved.

89. Considering the nature of confidential expenses, petitioners Acosta and Villadelrey do not have access on the information relative of the information-gathering and/or surveillance activities, nor can they identify the particular confidential operations undertaken. Likewise, they cannot compel the security officer to submit a report containing such details, as it would necessarily entail the disclosure of classified

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[63] Section IV, Memorandum Circular No. 78, series of 1964.

and highly sensitive information to individuals who do not possess the requisite authority.

90. Even assuming *arguendo* that the petitioners may have access to such confidential information, they would still be legally prohibited from disclosing the same. Such disclosure would violate established security and operational protocols, risk the lives of confidential agents and personnel involved, compromise ongoing or future missions, and prejudice the national security, as well as subject them to possible liability for unauthorized disclosure of classified information.

91. Finally, the Commission also cannot feign ignorance that the rules on regular government transactions are not applicable in the audit of confidential expenditures. While it may be conceded that ordinary government transactions are by COA issuances on the utilization, liquidation, and reporting of funds, no such comprehensive guidelines exist for CFs, for the obvious reason that the transactions concerning their disbursement are classified in nature.

92. Here, the Assailed Decision appears to rest primarily on Section 6.2.3 of the JC, which states that the liquidation of cash advances for CF shall be supported by other supporting documents the ICFAO deems necessary for the proper evaluation of liquidation documents submitted, and Section 4(6) of Presidential Decree No. 1445 which states that claims against government funds shall be supported with complete documentation.

93. It further appears from the Assailed Decision that this Commission treated the confidential activities of the OVP as regular government transactions, when they required the submission of details or breakdown of the CEs and a narration of the success of the information-gathering and/or surveillance activities and their relatedness to national security, peace and order, or detection/prevention of illegal activities.

94. Again, however, in applying the rules applicable to ordinary government transactions, the Commission failed to appreciate the confidential nature of information-gathering and surveillance activities. By doing so, this Commission have exceeded its authority in usurping the petitioners' discretion to determine the success of its information-gathering and/or surveillance activities and imposing a standard that has no basis in fact and in law.

95. ***No requirement in the JC to submit official receipts or invoices.*** The Honorable Commission further contends that payment for tables, chairs, desktop computers, and printers, in the total amount of ₱3.5 Million should be supported with official receipts or invoices and that the COA-ICFAO is empowered to demand such "other supporting documents" in the course of an audit.

96. In support thereof, the Assailed Decision cited Items 4.8.4 and 4.8.5 of the JC but a judicious reading of those provisions reveals that **the JC neither requires**

**official receipts or sales invoices, nor prescribes any specific form or types of documentary evidence of payment** (DEPs) to substantiate CEs. In fact, the phrase "other supporting documents" which the Commission appears to invoke as a catch-all grant of authority, is itself **undefined** in the JC.

97. Here, by requiring official receipts or invoices, this Commission treated the utilization of confidential funds as though it were an ordinary government transaction and applied the regular rules in the audit of government financial transactions, which defies its confidential nature.

98. Sustaining this kind of position sets a dangerous precedent. Without any such requirement under the relevant laws and regulations, the Commission and its auditors are free to require whatever document even if it is impractical, illogical, or worse, not required under the pertinent laws, rules, and regulations, thereby opening the risk of subjective audits and arbitrary exercise of power. Surely, the authority to audit confidential funds does not include the authority to invent rules.

99. Even the early rules, guidelines and best practices before the formulation of guidelines under JC reveal the historical reluctance of the COA to require specific documentary requirements pertaining to confidential expenses.

100. In fact, COA Circular 92-385, dated October 1, 1992,[64] recognizes the challenges in obtaining receipts, bills, or commercial invoices to support disbursements **due to the sensitive and confidential nature of intelligence and confidential activities**:

> WHEREAS, **these intelligence and confidential activities, by their very nature, are highly sensitive and confidential operations or missions the details of which cannot be divulged without posing a threat to national security or to the success of the mission**;
>
> WHEREAS, as now being required, **the submission of receipts, bills or commercial invoices in support of disbursements from these fund for rental of safe houses, purchase of meals or supplies and other expenses, might create a leak of information that may threaten the confidentiality of the intelligence operations, endanger the lives and the safety of the agents and employees of the government agencies, and result to a failure of the mission**;
>
> WHEREAS, in many instances it is impractical and sometimes impossible to obtain such receipts, bills or commercial invoices during intelligence operations;

[64] Subject: Restatement with Amendments of COA Issuances on the Audit of Intelligence and/or Confidential Funds.

> WHEREAS, by its very nature, the use of intelligence and/or confidential funds requires an approach allowing more flexibility in intelligence operations;
>
> WHEREAS, in the case of other jurisdictions where appropriations for intelligence and confidential funds are much larger in relation to their total budget, there is practically no audit to speak of; (emphasis and underscoring supplied)

101. Moreover, Section 6 of the aforecited Circular explicitly states that any disbursement from the CFs shall be accounted **solely on the certification of the Head of Agency**, which this Commission did not dispute was done here:

> Any disbursement from the confidential and/or intelligence fund shall be accounted for solely on the certification of the head of the agency or by the officer-in-charge of the intelligence, confidential or national security mission.

102. This was reiterated in COA Circular No. 2003-002,[65] dated July 30, 2003:[66]

> Any disbursement from the intelligence/confidential funds shall be accounted for **solely on the certification of the Head of Agency** responsible for the intelligence, confidential, national security mission project or undertaking. (emphasis supplied)

103. We can certainly conclude that the COA-ICFAO removed the requirement of submitting official receipts/invoices in the ND based on the foregoing circulars.

104. The Commission's untenable position is further evident in the complete absence of any rule, regulation, procedural guideline, policy, principle or established practice that have gained recognition in law about the "documentary evidence of payment." The Assailed Decision likewise failed to cite any established prior rules, regulations, procedural guidelines, policies, principles, or practices prescribing the alleged documentary requirements specific for the substantiation of CEs.

105. There is thus no basis, whether in previous COA issuances or in existing rules, regulations or any other recognized legal basis, for the claim that the payment for tables, chairs, desktop computers, and printers, must be supported by official receipts or sales invoices when their purchase was made in connection with

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[65] https://www.coa.gov.ph/issuances/circulars/#98-1234-wpfd-cy-2003, last accessed on May 18, 2026.
[66] Subject: Audit and Liquidation of Intelligence and Confidential Funds for National and Corporate Sectors.

confidential operations. Certainly, an inexistent requirement cannot serve as the foundation for a valid disallowance.

106. Assuming *arguendo* that the confidential expenses are irregular expenditures, the alleged irregularity arose only from the Commission's allegation that the OVP purportedly failed to comply with some documentary requirement that was neither existing nor applicable at the time the expenditures were incurred. In other words, the supposed irregularity is based on a standard that no law or rule had prescribed up to this point. Thus, to hold petitioners personally liable on the basis of an additional requirement that finds no basis in any laws or rules goes against constitutional standards of fairness and due process.

107. In the recent 2024 case of *Biong*,[67] for a transaction to be deemed an irregular expenditure, the deviation from established rules, regulations, procedural guidelines, policies, principles, or practices should have transpired *at the time the expenditure is incurred.* Stated differently, if the irregularity transpired after the expenditure had been incurred, or worse, was disconnected from the transaction in question, disallowance is not warranted.[68]

108. Applying *Biong* to this case, at the time the confidential funds were disbursed, there was no rule, regulation, procedural guideline, policy, principle, or established practice that prescribed the form, type, or kinds of DEPs or proof of success of information-gathering or surveillance activities, which could have guided the petitioners at the time of disbursement of the CFs.

109. Thus, the post-facto imposition of imagined requirements not found nor stated in the JC or any law, rule, or regulation, such as the official receipts or sales invoices and the details or breakdown of the CEs and a narration of the success of the information-gathering and/or surveillance activities, cannot serve as basis of an alleged irregularity.

110. Accordingly, the petitioners' reliance on their reasonable interpretation of compliance with the JC at the time of the disbursement, utilization, and liquidation of the CFs should not be deemed as irregular, but must be afforded with respect and the presumption of regularity, absent any showing of bad faith on their part.

111. ***Good faith precludes personal liability.*** Even assuming *arguendo* that the subject CEs are disallowable, the petitioners cannot still be held personally liable to restitute the disallowed amount.

112. The RRSA states that the following public officers may be held liable in the following instances:[69]

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[67] See supra note 41.
[68] *Id.*
[69] RRSA, Section 16.

a. Public officers who are custodians of government funds (e.g. special disbursing officer) shall be held for their failure to ensure that such funds are safely guarded against loss or damage; that they are expended, utilized, disposed of or transferred in accordance with law and regulations, and on the basis of prescribed documents and necessary records.

b. Public officers who certify as to the necessity, legality and availability of funds or adequacy of documents shall be liable according to their respective certifications.

c. Public officers who approve or authorize expenditures shall be liable for losses arising out of negligence or failure to exercise the diligence of a good father of a family.

d. Public officers and other persons who confederated or conspired in a transaction which is disadvantageous or prejudicial to the government shall be held jointly and severally liable with those who benefited therefrom.

e. The payee of an expenditure shall be personally liable for a disallowance where the ground thereof is his failure to submit the required documents, and the Auditor is convinced that the disallowed transaction did not occur or has no basis in fact.

113. Here, the Assailed Decision failed to state and identify the specific factual and legal basis of the alleged petitioners' liability based on the aforesaid provision of the RRSA. Neither is there any finding in the Assailed Decision or the subject ND that the government suffered loss or damage because of the alleged deficiencies. The petitioners were simply named as allegedly liable, without any grounds under the RRSA and adherence to elementary due process. Consequently, the petitioners are left to speculate on how and why they are being held personally liable, thus, denying them of a meaningful opportunity to effectively defend themselves.

114. This further underscores the fundamental defect of the ND pursuant to the ruling in *Delos Santos*[70] that disallowance shall clearly and distinctly state the findings of fact and supported by applicable laws, rules, jurisprudence.

115. Nevertheless, granting *arguendo* that the CEs are disallowable, the petitioners should not be held liable, as they acted in good faith and reasonably believed that the liquidation documents submitted before the COA-ICFAO were compliant with the JC, especially considering the absence of any other governing guidelines on the disbursement or basic documentary requirements for CEs.

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[70] See supra note 26.

116. Section 38 of Executive Order (EO) No. 292,[71] states:

> (1) A public officer shall not be held liable for acts done in the performance of his official duties, unless there is a clear showing of bad faith, malice or gross negligence.
>
> ***
>
> (3) A head of a department or a superior officer shall not be civilly liable for the wrongful acts, omissions of duty, negligence, or misfeasance of his subordinates, unless he has actually authorized by written order the specific act or misconduct complained of.

117. Furthermore, Section 39 of EO No. 292 states that "[n]o subordinate officer or employee shall be civilly liable for acts done in good faith in the performance of his duties. However, he shall be liable for willful or negligent acts done by him which are contrary to law, morals, public policy and good customs even if he acted under orders or instructions of his superiors." In this case, nothing in the Assailed Decision shows any such findings of willful or negligent acts by the petitioners which would have triggered their supposed liability.

118. On the contrary, it is a settled principle that every public official is entitled to the presumption of good faith in the discharge of official duties. Absent any showing of bad faith or malice, there is likewise a presumption of regularity in the performance of official duties.[72]

119. Good faith has always been a valid defense of public officials that has been considered by this Court in several cases. Good faith is a state of mind denoting honesty of intention, and freedom from knowledge of circumstances which ought to put the holder upon inquiry; an honest intention to abstain from taking any unconscientious advantage of another, even though technicalities of law, together with absence of all information, notice, or benefit or belief of facts which render transaction unconscientious.[73]

120. In Ampatuan v. COA,[74] the Supreme Court explained the term bad faith or malice which warrants accountability in disallowance cases, as follows:

> Bad faith or malice which warrants accountability in disallowance cases is characterized as follows:

---

[71] Also known as the Administrative Code of 1987.

[72] Montejo vs. Commission on Audit, G.R. No. 232272, July 24, 2018, citing Zamboanga City Water District vs. COA, G.R. No. 213472, January 26, 2016.

[73] Id. Citing PEZA vs. COA, G.R. No. 210903, October 11, 2016, 805 SCRA 618, 642-645.

[74] G.R. No. 252007, December 7, 2021, citing Fuentes v. People, 808 Phil. 586, 594 (2017), and See Lumayna v. Commission on Audit, 616 Phil. 929, 945 (2009), Office of the Ombudsman v. De Leon, 705 Phil. 26, 37-38 (2013).

> "[E]vident bad faith" connotes[,] not only bad judgment[,] but also palpably and patently fraudulent and dishonest purpose to do moral obliquity or conscious wrongdoing for some perverse motive or ill will. It contemplates a state of mind affirmatively operating with furtive design or with some motive or self-interest or ill will or for ulterior purposes. (Emphasis supplied)

On the other hand, negligence must be gross, which amounts to bad faith, that is:

> [N]egligence characterized by the want of even slight care, or by acting or omitting to act in a situation where there is a duty to act, not inadvertently but willfully and intentionally, with a conscious indifference to the consequences, insofar as other persons may be affected. It is the omission of that care that even inattentive and thoughtless men never fail to give to their own property. It denotes a flagrant and culpable refusal or unwillingness of a person to perform a duty. In cases involving public officials, gross negligence occurs when a breach of duty is flagrant and palpable. (Emphases supplied)

121. In Madera v. COA,[75] the Supreme Court laid down the set of rules on the refund of the amounts disallowed in audit by COA in order to reach a just and equitable outcome:

> In view of the foregoing discussion, the Court pronounces:
>
> 1. If a Notice of Disallowance is set aside by the Court, no return shall be required from any of the persons held liable therein.
>
> 2. If a Notice of Disallowance is upheld, the rules on return are as follows:
>
>    a. Approving and certifying officers who acted in good faith, in regular performance of official functions, and with the diligence of a good father of the family are not civilly liable to return consistent with Section 38 of the Administrative Code of 1987.
>
>    b. Approving and certifying officers who are clearly shown to have acted in bad faith, malice, or gross negligence are, pursuant to Section 43 of the Administrative Code of 1987, solidarity liable to return only the net disallowed amount which, as discussed herein, excludes amounts excused under the following sections 2c and 2d.
>
>    c. Recipients - whether approving or certifying officers or mere passive recipients - are liable to return the

[75] G.R. No. 244128, September 8, 2020.

> disallowed amounts respectively received by them, unless they are able to show that the amounts they received were genuinely given in consideration of services rendered.
>
> d. The Court may likewise excuse the return of recipients based on undue prejudice, social justice considerations, and other bona fide exceptions as it may determine on a case to case basis.

122. Likewise, in *Madera*,[76] the Supreme Court recognized certain badges of good faith and diligence on the part of authorizing or approving officers:

> Notably, the COA's regulations relating to the settlement of accounts and balances illustrate when different actors in an audit disallowance can be held liable either based on their having custody of the funds, and having approved or certified the expenditure. The Court notes that officers referred to under Sections 19.1.1 and 19.1.3 of the MCSB, and Sections 16.1.1 and 16.1.3 of the RRSA, may nevertheless be held liable based on the extent of their certifications contained in the forms required by the COA under Section 19.1.2 of MCSB, and Sections 16.1.2 of the RRSA. To ensure that public officers who have in their favor the unrebutted presumption of good faith and regularity in the performance of official duty, or those who can show that the circumstances of their case prove that they acted in good faith and with diligence, the Court adopts Associate Justice Marvic M.V.F. Leonen's (Justice Leonen) proposed circumstances or badges for the determination of whether an authorizing officer exercised the diligence of a good father of a family:
>
> > xxx For one to be absolved of liability the following requisites [may be considered]: (1) Certificates of Availability of Funds pursuant to Section 40 of the Administrative Code, (2) In-house or Department of Justice legal opinion, (3) that there is no precedent disallowing a similar case in jurisprudence, (4) that it is traditionally practiced within the agency and no prior disallowance has been issued, [or] (5) with regard the question of law, that there is a reasonable textual interpretation on its legality.
>
> Thus, to the extent that these badges of good faith and diligence are applicable to both approving and certifying officers, these should be considered before holding these officers, whose participation in the disallowed transaction was in the performance of their official duties, liable. The

---

[76] *Id.*

presence of any of these factors in a case may tend to uphold the presumption of good faith in the performance of official functions accorded to the officers involved, which must always be examined relative to the circumstances attending therein.

123. In this case, records show that the petitioners are being held liable merely as approving and certifying officers or payee, as follows:

| Documents | Purpose of Signing | | |
|---|---|---|---|
| | Sara Z. Duterte | Gina F. Acosta | Julieta L. Villadelrey |
| Liquidation Report No. 2022-12-152 dated January 10, 2023 | Certified that the purpose of the cash advance was duly accomplished. | Certified the correctness of the data contained therein. | Certified that the supporting documents are complete and proper. |
| DV No. 2022-12-07222 dated December 20, 2022 | Certified that the expenses/cash advance are necessary, lawful, and incurred under her direct supervision. | n/a | Certified that cash is available, subject to Authority to Debit Account (when applicable), and supporting documents are complete and amount claimed proper. |
| Certification dated January 10, 2023 | a. The certifying officer or employee is accountable for the disbursement from the cash advance of CF and/or IF;<br>b. The expenses were incurred in connection with the agency's intelligence and/or confidential operations and activities, with supporting documents attached to the liquidation of CF and for the IF, documentary evidence of payment kept in sealed envelope in the vault in the office of the SDO;<br>c. The details and supporting documents of transactions that are classified are in the custody of the agency and kept in its vault which may be inspected by ICFAU if the circumstances so demand;<br>d. The funds are not used for payment of salaries and wages, overtime, additional compensation, allowance or other fringe benefits of officials and employees, representation/entertainment expenses, consultancy fees, and | | n/a |

| | | | |
|---|---|---|---|
| | construction or acquisition of buildings or housing structures;<br>e. The purchase of equipment is relevant to the confidential and/or intelligence activities; and<br>f. The expenditures are necessary and utilized for legal purposes. | | |
| Obligation Request and Status | Certified that charges to appropriation are necessary, lawful and under her direct supervision and supporting documents are valid, proper, and legal. | Payee | n/a |
| LBP Check No. 244027 dated December 20, 2022 | n/a | Payee | n/a |

124. However, records show the following circumstances of good faith on the part of the petitioners:

125. First, the foregoing acts of the petitioners on the grant of the ₱125 Million CFs are deemed valid, regular and compliant with Items 6.1.7 and 6.1.8 of the JC, **as no deficiency was noted by the COA Audit Team Leader**, namely:

a. Petitioner Duterte's certification in the DV that the expenses/cash advance are necessary, lawful, and incurred under her direct supervision; and her certification in Obligation Request and Status that charges to appropriation are necessary, lawful and under her direct supervision and supporting documents are valid, proper, and legal;

b. Petitioner Villadelrey's certification that cash is available, subject to ADA, and supporting documents are complete and amount claimed proper.

c. Release of the CFs to petitioner Acosta and their disbursement to Col. Lachica.

126. It bears emphasizing that the subject ND is grounded on the alleged deficiency in the substantiation of the CEs, and not on the grant or release of the cash advance for CFs. Accordingly, actions pertaining the grant or release of the cash

advance for CFs cannot not be relied upon as basis for the disallowance of the subject CEs.

127. Second, petitioner Duterte likewise acted in good faith and with due diligence considering that when she signed the Certification dated January 10, 2023, she did so in reasonable reliance on her subordinates.

128. In Joson v. Commission on Audit,[77] the Supreme Court held that petitioner Joson, as the governor of Nueva Ecija, has the right to rely to a reasonable extent on the good faith of his subordinates and that mere signature does not result to a liability of the official involved without any showing of irregularity on the document's face such that a detailed examination would be warranted:

> Petitioner, being the head of the procuring entity in addition to his duties as the governor of Nueva Ecija, is responsible for the whole province. With the amount of paperwork that normally passes through in his office and the numerous documents he has to sign, it would be counterproductive to require petitioner to specifically and meticulously examine each and every document that passes his office. Thus, petitioner has the right to rely to a reasonable extent on the good faith of his subordinates.
>
> Mere signature of the petitioner in the award of the contract and the contract itself without anything more cannot be considered as a presumption of liability. It should be recalled that mere signature does not result to a liability of the official involved without any showing of irregularity on the document's face such that a detailed examination would be warranted. Liability depends upon the wrong committed and not solely by reason of being the head of a government agency.

129. Similarly in Loreto P. Seares, Jr. v. NEA Board,[78] the Supreme Court likewise held that petitioner Seares, as General Manager, was not expected to review every action done by his subordinates absent any showing that further inquiry should have been made by him:

> Here, while as General Manager, petitioner was tasked to oversee ABRECO's overall operations, he was not expected to review every action done by his subordinates and he cannot be made responsible for all their misfeasance or malfeasance in the performance of their duty absent any showing that further inquiry should have been made by him. In any event, the return of the disallowed payment may still be required from the recipients themselves who were not entitled thereto.

---

[77] G.R. No. 223762, November 7, 2017.

[78] G.R. No. 254336, November 18, 2021, citing Joson vs. COA, 820 Phil. 502 (2017).

130. With respect to petitioners Acosta and Villadelrey, they should not be held liable as well as they have clearly acted in good faith and with due diligence in the performance of their duties.

131. As stated in COA Circular 92-385, these intelligence and confidential activities, by their very nature, are highly sensitive and confidential operations or missions the details of which cannot be divulged without posing a threat to national security or to the success of the mission.

132. In determining whether the disbursement of the CFs was proper and duly supported with adequate documentation, petitioners Acosta and Villadelrey were restricted by the confidential nature of the activities from further inquiring beyond the ARs submitted by the security officer, especially since there is no specific rule permitting the disclosure of sensitive and confidential information to the COA for purposes of audit.

133. Third, there is no precedent or similar case disallowing the subject CEs.

134. In this case, there is no previous audit observation, notice of suspension, or notice of disallowance issued in relation to the previously submitted liquidation documents of CEs that could have flagged any irregularities. Neither was there any opinion, advice, or guidance from the COA pertaining to similar transactions or alleged deficiencies.

135. The issues relating the submission of invoices and official receipts and proof of success of information-gathering and/or surveillance activities in civilian government agencies are likewise novel, there being no Supreme Court or COA decision yet on the subject matter.

136. Thus, there were no prior instances that could have apprised the petitioners of any laws, rules, guidelines, or established practice imposing the requirements now being claimed by the COA.

137. Fourth, it is traditionally practiced within the government to refrain from submitting invoices, receipts or any commercial documents to substantiate the CEs.

138. In fact, even before the JC, in COA Circular No. 2003-002 and COA Circular 92-385, the substantiation of disbursement from the intelligence/confidential funds merely requires a certification of the Head of Agency responsible for the intelligence, confidential, national security mission project or undertaking.

139. Finally, with regard to the question of law, there is a reasonable textual interpretation on its legality.

140. In Balintona v. COA,[79] the Supreme Court ruled in favor of the public officers and declared that their acts cannot be considered as blatant, palpable, or deliberate violations in connection with a fund transfer disallowed in audit by the COA because of the vague language of the law and differing interpretations thereof:

> In any event, the liability of petitioner ultimately hinges upon his good faith, considering as it stands that the transaction has already been disallowed.
>
> Surely, the examination of an officer's liability always begins with the presumption of regularity and good faith. Good faith is a state of mind denoting honesty of intention, and freedom from knowledge of circumstances which ought to put the holder upon inquiry; an honest intention to abstain from taking any unconscientious advantage of another, even though technicalities of law, together with absence of all information, notice, or benefit or belief of facts which render transaction unconscientious.
>
> Cases holding officers liable for disallowances generally describe the disregard or violation of laws, rules, or regulations as "blatant" or "patent or palpable" or "deliberate." It is that nature of the violation which constitutes bad faith, malice, or gross negligence that in turn defeats the presumption of or betrays the claim of good faith and/or diligence. In Lumayna v. COA, the Court held:
>
> > Under prevailing jurisprudence, mistakes committed by a public officer are not actionable, absent a clear showing that he was motivated by malice or gross negligence amounting to bad faith. It does not simply connote bad moral judgment or negligence. Rather, there must be some dishonest purpose or moral obliquity and conscious doing of a wrong, a breach of a sworn duty through some motive or intent, or ill will. It partakes of the nature of fraud and contemplates a state of mind affirmatively operating with furtive design or some motive of self-interest or ill will for ulterior purposes.
>
> This is consistent with the provisions of Sections 38 and 39, Chapter 9, Book I of the Administrative Code:
>
> > SECTION 38. Liability of Superior Officers. – (1) A public officer shall not be civilly liable for acts done in the performance of his [or her]

[79] G.R. No. 252171, October 29, 2024.

> official duties, unless there is a clear showing of bad faith, malice or gross negligence.
>
> . . . .
>
> SECTION 39. Liability of Subordinate Officers. – No subordinate officer or employee shall be civilly liable for acts done by him [or her] in good faith in the performance of his [or her] duties. However, he [or she] shall be liable for willful or negligent acts done by him [or her] which are contrary to law, morals, public policy and good customs even if he [or she] acted under orders or instructions of his [or her] superiors. (Emphasis supplied)
>
> **Here, given the silence of the Special Provisions of the 2008 and 2009 GAAs, and DBM Circular No. 476-01 on the particular situation petitioner was confronted with, the violation of law, if any, committed by petitioner in allowing the requested fund transfers cannot be considered blatant, palpable, or deliberate.**
> (Emphasis supplied)

141. Thus, in case of ambiguity of the disallowance such as there is no specific factual and legal bases in the ND, it should be construed against the government and in favor of the government officials involved.

142. In this case, the subject ND contains no findings that the CEs or the utilization of the CFs is illegal, irregular, unnecessary, unconscionable and extravagant.

143. There is likewise no allegation and/or finding that CFs were used for personal use, that petitioners are the payees or actual recipients, or that the CF were utilized for activities beyond the OVP's mandate.

144. On the other hand, the grounds relied upon by COA-ICFAO in disallowing the amounts subject of this case are only matters of form which the JC does not even prescribe. The Honorable Commission likewise did not dispute that the CFs were used for information-gathering or surveillance activities which were intended to support the mandate or operations of the agency. There is thus no prejudice or loss to the government arising from the disallowed CEs.

145. Additionally, at the time of the disbursement of the CF, there was no showing that there was deviation from established rules, regulations, procedural guidelines, policies, principles, or practices, as there were no specific guidelines requiring the submission of official receipts or invoices or guidelines prescribing some form of documents to prove the success of the information gathering and/or surveillance activities on account of the information given by the informer.

146. Considering that no prescribed form or specific guidelines set by the COA, the petitioners were constrained to rely on their sound judgment in determining compliance with the JC. Their judgment at that time should not be construed as irregular, as there were no specific laws, regulations, and prescribed document or records that they deemed applicable at the time of the disbursements of the CFs.

147. All told, the petitioners must not be held liable as they acted in good faith and with due diligence, and their actions are entitled to the presumption of regularity.

*Relief*

WHEREFORE, it is respectfully prayed that (a) the Assailed Decision No. 2026-171 dated April 10, 2026 denying the Petition for Review dated February 3, 2025 be reconsidered and set aside; and consequently (b) reverse and set aside the Notice of Disallowance No. 2024-002-100 (2022) dated August 8, 2024, for the reasons stated in this Motion.

Other equitable reliefs are also prayed for.

Makati City, May 18, 2026

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Copy furnished:

**Nilda B. Plaras** - 5.21.26 Greg T. Ramon 3:49 pm.
Respondent
Commission on Audit
Commonwealth Avenue, Diliman
Quezon City

**Atty. Gloria A. Camora**
Officer-in-Charge
Intelligence and Confidential Funds Audit Office
Commission on Audit
Commonwealth Avenue, Diliman
Quezon City

MAY 21 2026 JM Time: 3:31 PM

4193-1-01

# VERIFICATION

I, **SARA Z. DUTERTE**, Filipino, of legal age, and with office address at 11/F Robinson's Cybergate Plaza, EDSA corner Pioneer Street, Mandaluyong City, subscribing under oath, depose and state that:

1. I am the Vice President of the Republic of the Philippines, and one of the petitioners in the case.

2. I have caused the preparation and filing of the foregoing Motion for Reconsideration, read and understood all of its contents, and attest that all allegations contained therein are true and correct of my own personal knowledge and/or based on authentic records and/or documents.

3. I confirm that the foregoing Motion for Reconsideration is not being filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation, and that the factual allegations therein have evidentiary support, or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery.

I affix my signature herein to certify the truthfulness of the allegations in the foregoing Motion for Reconsideration.

**SARA Z. DUTERTE**

SUBSCRIBED AND SWORN to before me this MAY 20 2026 in Makati City, affiant exhibiting to me her Philhealth ID No. 16-025268201-2 as competent evidence of her identity.

Doc. No.: 103;
Page No.: 24;
Book No: 1;
Series of 2026

"DOC. STAMP TAX PAID"
03547983 MAY 20 2026
OR Number Date of Payment

**ATTY. IVY JASMINE M. OLIPERNES**
Notary Public for the City of Makati
Appointment No. M-312 until December 31, 2026
4F Saville Bldg. 8728 Paseo de Roxas Ave.
cor. Gil Puyat Ave., Makati City
Roll of Attorneys No. 94783; January 24, 2025
IBP No. 539445; February 25, 2026
PTR No. 5087762; January 13, 2026

# VERIFICATION

I, **GINA F. ACOSTA**, Filipino, of legal age, and with office address at 11/F Robinson's Cybergate Plaza, EDSA corner Pioneer Street, Mandaluyong City, subscribing under oath, depose and state that:

1. I am one of the petitioners in the case.

2. I have caused the preparation and filing of the foregoing Motion for Reconsideration, read and understood all of its contents, and attest that all allegations contained therein are true and correct of my own personal knowledge and/or based on authentic records and/or documents.

3. The Motion for Reconsideration is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation; and

4. I confirm that the foregoing Motion for Reconsideration is not being filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation, and that the factual allegations therein have evidentiary support, or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery.

I affix my signature herein to certify the truthfulness of the allegations in the foregoing Motion for Reconsideration.

**GINA F. ACOSTA**

SUBSCRIBED AND SWORN to before me on 18 MAY 2026, in Makati City, affiant exhibiting to me her UMID No. CRN-006-0117-9199-1 as competent evidence of her identity.

Doc. No. 144;
Page No. 30;
Book No. III;
Series of 2026.

FRANCESCA MARIE V. FLORES
Notary Public of Makati
Appointment No. M-019
Commission until December 31, 2027
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PTR No. 10767910; 01-05-2026; Makati City
IBP No. 568505; 12-16-2025; Makati City Chapter
23F Multinational Bancorporation Centre
6805 Ayala Avenue, Makati City

# VERIFICATION

I, **JULIETA L. VILLADELREY**, Filipino, of legal age, and with office address at 11/F Robinson's Cybergate Plaza, EDSA corner Pioneer Street, Mandaluyong City, subscribing under oath, depose and state that:

1. I am one of the petitioners in the case.

2. I have caused the preparation and filing of the foregoing Motion for Reconsideration, read and understood all of its contents, and attest that all allegations contained therein are true and correct of my own personal knowledge and/or based on authentic records and/or documents.

3. The Motion for Reconsideration is not filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation; and

4. I confirm that the foregoing Motion for Reconsideration is not being filed to harass, cause unnecessary delay, or needlessly increase the cost of litigation, and that the factual allegations therein have evidentiary support, or, if specifically so identified, will likewise have evidentiary support after a reasonable opportunity for discovery.

I affix my signature herein to certify the truthfulness of the allegations in the foregoing Motion for Reconsideration.

**JULIETA L. VILLADELREY**

SUBSCRIBED AND SWORN to before me on 18 MAY 2026, in Makati City, affiant exhibiting to me her PRC No. 0079616 as competent evidence of her identity.

Doc. No. 143;
Page No. 30;
Book No. III;
Series of 2026.

FRANCESCA MARIE V. FLORES
Notary Public of Makati
Appointment No. M-010
Commission until December 31, 2027
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PTR No. 10767910; 01-05-2026; Makati City
IBP No. 566505; 12-16-2025; Makati City Chapter
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6805 Ayala Avenue, Makati City

**ANNEX A**
**FORTUN NARVASA & SALAZAR**

*AFP Vision 2028: A World-class Armed Forces, Source of National Pride*

HEADQUARTERS
**VICE PRESIDENTIAL SECURITY AND PROTECTION GROUP**
*Camp General Emilio Aguinaldo, Quezon City*

VPSPGX 17 October 2023

# CERTIFICATION

**TO WHOM IT MAY CONCERN:**

THIS IS TO CERTIFY that there were no untoward incidents in the implementation of Office of Vice President programs, projects, and activities, as well as in the engagements of the Vice President of the Philippines.

Further certify that Intelligence efforts and necessary documents were made and filed based on the conducted Protective Intelligence Operation in support to Vice President Sara Z. Duterte engagements from 20-31 December 2022.

Activities during engagement are as follows;

| Activities |
|---|
| 1. Casing |
| 2. Liaising |
| 3. Surveillance |
| 4. Profiling of attendees |
| 5. Covert Operation |
| 6. Intelligence Conference |
| 7. Intelligence Fusion |
| 8. Coordination |
| 9. Ocular inspection |

This certification is being issued upon the request of the Office of the Vice President for whatever legal purpose it may serve.

For information and reference.

**RAYMUND DANTE P LACHICA**
Colonel INF (MNSA) PA
Group Commander

COMMISSION ON AUDIT
CERTIFIED TRUE COPY

DAVIN E. SACCAY
Administrative Aide VI

*AFP Core Values: Honor, Service, Patriotism*